

This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS SECTION 01 OF 02 TAIPEI 000205

SIPDIS

DEPARTMENT FOR INR/R/MR, EAP/RSP/TC, EAP/PA, EAP/PD - ROBERT
PALLADINO
DEPARTMENT PASS AIT/WASHINGTON

E.O. 12958: N/A

TAGS: [OPRC](#) [KMDR](#) [KPAO](#) [TW](#)

SUBJECT: MEDIA COVERAGE OF CONGRESSMAN LANTOS' VISIT TO
TAIWAN

1. Summary: In an availability with selected representatives of the media in Taiwan, Rep. Tom Lantos (D-CA) voiced strong concern over Taiwan's failure to pass a special budget for arms procurement from the United States.

2. The issue and Lantos' remarks were covered by nine major international and local newspapers the next day. "The Asian Wall Street Journal" and "Financial Times" highlighted the criticism about Taiwan's shrinking military spending, while most Taiwan newspapers focused on Chen's promise for the passage of the special budget even though the opposition parties have vowed to boycott it. Excerpts of the news articles follow:

A) "U.S. Lawmaker Criticized Taiwan Over Arms Budget"

Jason Dean wrote in "The Asian Wall Street Journal" (1/18):

"Taiwan received a rebuke from one of its strongest supporters in the U.S. Congress, who said the island's failure to move more aggressively on defense spending is hurting its image in Washington.

"Tom Lantos, a Democratic representative from California, in Taiwan as part of an Asia tour, said the island's dwindling defense spending in recent years was 'absurd' when China has steadily ratcheted up military spending.

"`This is a wealthy society,' Mr. Lantos said at a news conference yesterday, citing Taiwan's \$242 billion in foreign-exchange reserves, 'and apparently it is incapable of deciding to spend \$18 billion on its own defense. This makes no sense on Capital Hill.'"

B) "Taipei's Defense Bill Criticized by U.S. Ally"

Kathrin Hille wrote in the "Financial Times" (1/18):

"One of Taiwan's strongest supporters in the U.S. has publicly blamed the island of spending far too little on defense, in a further sign that support in Washington for guaranteeing Taiwan's security against China is eroding.

"Mr. Lantos said concern over the island's failure to beef up its defenses had become widespread. Officials said he had expressed a clear warning that it was getting ever harder for friends of Taiwan on Capitol Hill to lobby the administration for support."

C) "Chen Claims Arms Procurement Budget Will Pass, Opposition Party Dismisses the Expectation"

The pro-status quo "China Times" reported (1/18):

"Is the light penetrating through the cloud after the United States made its own lobby efforts? When meeting with U.S. Congressman Lantos, President Chen Shui-bian said James Soong, chairman of the opposition People First Party, no longer opposed to Taiwan's arms procurement plan after communications [with the U.S. side] during a visit to Washington D.C. Chen said, 'It is something to be happy about.' He believed the three special budgets for arms procurements will win approvals from the legislature in the first half of this year."

D) "President Chen Receives Lantos, Calls for Formation of Taiwan-U.S. Value Alliance"

The pro-independence "Taiwan Daily" reported (1/18):

"President Chen Shui-bian met with U.S. Congressman Lantos and mentioned the issue of arms procurement. Chen said the election was already over and he was pleased to hear that PFP Chairman James Soong would not oppose the arms deal. Chen said he hopes the U.S.-Taiwan relations will be improved and that the two countries will form a 'value alliance.'"

E) "Taiwan Treated Badly, Visiting U.S. Congressman Says"

The pro-independence, English-language "Taipei Times" published a Central News Agency story (1/18):

".Tom Lantos said that the so-called civilized world continues to treat Taiwan's leaders as second-class citizens, authorizing them only transit stops in their countries.

"They should receive proper visas and should be allowed to enter the U.S. whenever and wherever they choose, he said."

PAAL